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FY2010 APPROPRIATIONS REQUEST

Project Name: Manhattan Water Project

Requesting Entity: Town of Manhattan, Montana

Requesting Individual: Mayor Anthony M. Haag

Amount Requested: \$4,000,000 for construction of a water project

Appropriations Bill: EW: Energy and Water

Agency: EPA

Account: STAG/WRDA

Project Justification:

The Town of Manhattan has experienced massive growth in the actual footprint of the Town with the annexation of seven subdivisions in 2007 (Exhibit A). Sewer bills are set to increase from \$45.20 to \$83.00 in 2009, if additional customers are not added to shoulder some of the burden of the new Wastewater Treatment Plant that was designed for a twenty-year population projection as required by the state. In 2009 State Revolving Fund Loan principal will be added to the total. Water rates will increase from \$27.00 (flat rate) to \$37.84 following the installation of water meters, a water tower and main line replacement. With the above increases in the water and sewer fees, Manhattan will have one of the highest combined rates in Montana. Water meters are essential for water conservation and equity in paying for what you consume. Meters will be helpful to our many one resident homes on fixed incomes and the school will be metered to pay their fair share. The water tower will solve our inadequate fire flows at the school and in the commercial area adjacent to Main Street.

Description of the Project: (Exhibit B1-8)

Manhattan residents only have to read the morning newspaper (Exhibit C) and watch to the evening news telecast to understand what is happening in the Town of Manhattan (Town). The current and projected growth and infrastructure improvements the Town faces to meet new and current environmental and public water supply and fire protection standard to support its current population base and projected growth is continually in the news. Most recently the Town received federal and state funding through a combination of federal grants and state loans to build a new and state-of-the-art wastewater treatment plant and new interceptor sewer to

meet projected growth and more stringent discharge standards. The plant is going on-line in the next month. This plant will go a long way to accommodate at least some of the projected growth in Town. The new plant will provide much improved treatment and improved water quality to its discharge stream.

Improvements to the wastewater treatment system were a major achievement for the Town. While a subsequent expansion to this new plant will be inevitable in the future to meet build-out projections for newly annexed properties, the groundwork has been laid to meet projected wastewater flow increases now and into the foreseeable future.

The Town is now faced with the expensive task of expanding and upgrading its water system. The cost of doing so is on parity with the costs to improve the Town's wastewater system. Like the improvements to the sewer system, the scheduled water system improvements needs are twofold: 1) to improve the level of service to the Town's existing customer base and 2) to provide the same improved service to the build-out population expected from seven (7) major new subdivisions recently annexed to Town. Water system enhancements are needed to increase the Town's groundwater source water supply, its system storage capacity and improved delivery of the stored water throughout the distribution grid. When combined, all of these scheduled water improvements will allow the Town to meet more stringent State water standards, better and more reliable water flow and system pressure and much improved fire protection. The lack of system storage and substandard fire protection has historically plagued Manhattan.

The Town was proactive to meet the challenges it faced with its wastewater infrastructure and it is proactive, here, when faced with the challenges it needs to meet with its water system. Aggressive steps have been taken and are well under way to plan for increased needed source water supply (a newly permitted and high capacity groundwater supply well), a new 400,000 gallon elevated water storage tank, a new state of the art operating SCADA (supervisory control and water data acquisition) or telemetry system, and the needed large diameter transmission and trunk water main pipelines to effectively and efficiently deliver stored water throughout the Town's distribution grid. Historically, the Town has manually operated its water supply wells and Southside booster station. The new SCADA system will provide a sophisticated electronic touch screen telemetry system that will allow the operator to administer the water system from a central computer.

To list, quantify and cost these needed capital water improvements, the Town developed a comprehensive Capital Improvements Program (CIP) and retained engineers to develop plans and specifications and provide cost estimates for construction of those capital improvements highlighted